

**SCOTTSDALE AIRPORT ADVISORY COMMISSION
15000 N. AIRPORT DRIVE, SCOTTSDALE, AZ 85260**

**AUGUST 27, 2003
(Combined August/September Meeting)
REGULAR MEETING**

MINUTES

PRESENT: Donald Maxwell, Chairman Tom Guilfoy
Bill Mack Mike Osborne
Philip Vickers Fred Madanick

ABSENT: Leonard Tinnan, Vice Chairman

STAFF: Scott Gray, Aviation Director Paul Norman, Assistant City Attorney
Gary Mascaro, Asst. Aviation Director
Chris Read, Asst. Aviation Director

OTHER(S): David Watts, ATC, Scottsdale Tower Rick Kidder, Scottsdale Chamber of Commerce
Dr. Scott Calev, Resident Maria Palomar, ATS Aircraft Total Service
Valory Rowan, Remington's Catering

CALL TO ORDER

Chairman Maxwell called the meeting to order at 6:00 p.m.

ROLL CALL

A formal roll call confirmed members present as stated above.

APPROVAL OF MINUTES

A. Item 1 - Action

Approval of the Minutes of the June 11, 2003 Regular Meeting.

Commissioner Madanick noted a correction to be made under on page 3, under Noise Issues, paragraph 2, line 2 of the minutes; the word involuntary should be changed to voluntary. With that correction noted, Commissioner Mack made a motion to approve the minutes of the July 9th meeting. Commissioner Guilfoy seconded the motion and the minutes were approved as amended by a vote of 6-0.

PUBLIC COMMENT

Mr. David Watts, Air Traffic Controller, Scottsdale Tower, advised the Commission that Congress would be voting on the Flight 100 Bill that authorizes Congress to contract out 69 towers throughout the United States, including the Scottsdale Tower. Mr. Watts stated he has been an air traffic controller for 11 years believes staffing will be cut, safety will be compromised, and oversight regulations at contract towers are not the same as they are for FAA towers. He would like everyone who has a vested interested in this airport and in aviation to call their Congressmen, tell them you are against this and it is a bad idea. Mr. Watts stated that air traffic control should be in the hands of the public and responsible to the taxpayers, not to private companies.

Dr. Scott Calev, citizen who resides near the airport, stated he is in favor of contract towers and he feels this airport lacks control. Dr. Calev stated a number of planes have been directed south as a courtesy to pilots and he feels the rules and regulations set up by the City Council and committee for the

neighborhood are being abused. Dr. Calev noted two instances of near aircraft collisions over his house and rules are being broken and that is not acceptable. Dr. Calev added if they are going to have any sort of tower or radar control it must work with the community not against it.

AERONAUTICAL BUSINESS PERMIT(S)

A. Item 2 - Action

Ratification of Airport Aeronautical Business Permit for ATS Aircraft Total Service to provide aircraft washing service at Scottsdale Airport.

Mr. Mascaro stated that Ms. Maria Palomar a representative from ATS Aircraft Total Service was present at the meeting and they have provided all the appropriate documentation required in the Airport Minimum Operating Standards. Commissioner Mack made a motion to approve the Airport Aeronautical Business Permit for ATS Aircraft Total Service. Commissioner Guilfooy seconded the motion and it passed by a vote of 6-0.

B. Item 3 – Action

Ratification of Airport Aeronautical Business Permit for Remington's Catering to provide off-airport in-flight catering service at Scottsdale Airport.

Mr. Mascaro stated that Ms. Valory Rowan a representative from Remington's Catering was present at the meeting and has provided all the appropriate documentation as required in the Airport Minimum Operating Standards. Commissioner Mack made a motion to approve the Airport Aeronautical Business Permit for Remington's Catering. Commissioner Guilfooy seconded the motion and it passed by a vote of 6-0.

C. Item 4 – Action

Ratification of Airport Aeronautical Business Permit for Vermillion Home & Event Catering to provide off-airport in-flight catering service at Scottsdale Airport.

Mr. Mascaro inquired if a representative for Vermillion Home & Event Catering was present at the meeting. A representative was not present and Mr. Mascaro requested the item be tabled to the next meeting.

D. Item 5 – Action

Ratification of Airpark Aeronautical Business Permit for James Warren to provide hangar/shade leasing in the Airpark.

Mr. Mascaro advised the Commission that a map showing the location of the Airpark hangar complex was included in their packet along with a copy of their Aeronautical Business Permit. He added they have provided all the appropriate documentation. However, a representative for James Warren was not present and the item was tabled to the next meeting.

E. Item 6 – Action

Ratification of Airpark Aeronautical Business Permit for Scottsdale Hangar One to provide hangar/shade leasing in the Airpark.

Mr. Mascaro advised the Commission that Scottsdale Hangar One is the Airmore complex being developed on the east side of the airfield. A representative for Scottsdale Hangar One was not in attendance. This item was also tabled to the next meeting.

F. Item 7 – Information

Aeronautical Business Permit Additions, Cancellations, or Revocations.

Mr. Mascaro advised the Commission there were no changes on this month's list of permittees. The new permits approved at this meeting will be listed on next month's list, as the Commission had requested.

Commissioner Vickers inquired if there was any place in the permit process requiring background checks of applicants. Mr. Mascaro responded there was none. Commissioner Vickers expressed his concern due to security issues at general aviation airports. He added it should be something that they as a Commission need to focus on, and it is irresponsible not to do that. He would like to see an amendment to the permit application process to require background checks.

Mr. Gray stated that some companies are required by TSA to do background checks on their employees. The City does it for City employees. However, he has not heard of any airport, other than commercial service ones, that require background checks to have access to the airfield. Mr. Gray said the TSA should soon be issuing general aviation security requirements but he does not know if they are going to be suggestions or mandates.

Commissioner Madanick inquired what security the FBO's have in place for their aircraft. Mr. Gray responded most of the corporate aircraft operators have sophisticated security in place. Commissioner Madanick inquired how good Mr. Gray thought security was at the airport right now. Mr. Gray responded it exceeds most general aviation airports. However, since this is not an agenda item, he would be happy to provide more details on a future agenda.

GENERAL BUSINESS

A. Item 8 – Information

The Business Impact of Scottsdale Airport – Presentation by Mr. Rick Kidder, Director of Public Policy, Scottsdale Chamber of Commerce.

Mr. Rick Kidder stated he represents the business community as Director of Public Policy for the Scottsdale Chamber of Commerce. He added the Chamber attempts to strike a balance between what may be perceived as the best for the business community, and the best for the quality of life for the citizens.

Mr. Kidder gave a brief presentation highlighting the economic impact of the Airport/Airpark and the growth of business and employment in the area (copy attached). Mr. Kidder provided some background and detail concerning the Chamber support for construction of a tunnel under the airport to create a major east/west corridor for traffic flow and the funding necessary for such a project. He encouraged Commission support to Council if and when the project is brought forward for approval.

Mr. Kidder concluded by stating the Chamber would like to thank the airport commission for their care and stewardship of one of the City's most important assets – the Scottsdale airport. Mr. Kidder then responded to inquiries from the Commission on various Chamber and business issues, taxes, revenues, special events, and marketing programs. The Commission expressed interest in obtaining copies of Mr. Kidder's presentation and Mr. Gray responded that copies would be provided.

B. Item 9 – Information

City Council Subcommittee on Regional Aviation Issues Update

Mr. Gray stated the next City Council Subcommittee meeting is scheduled for September 17 at 5:00 p.m. in the Kiva conference room at City Hall. He added they are in the process of assembling the agenda and the issues indicated will be the Pilot Community Outreach Program, the Flight Tracking System, the Part 150 Study, and the MAG RASP. Another issue is the contract tower, and the direction and support to have letters sent from the City to Senator McCain's office supporting the option to have a contract tower.

Commissioner Vickers inquired about the status of the Commission Subcommittee on Noise Issues and whether it was disbanded or not. Chairman Maxwell responded his decision would depend upon what happens at the next meeting of the City Council Subcommittee. He added he would try to meet with Councilwoman Lukas to see if they can work out something where they are actually a voice into the Council Subcommittee as according to Vice Chairman Tinnan right now that is not the case.

PILOT/COMMUNITY OUTREACH UPDATE

A. Item 10A – Information July 2003 Noise Report

Mr. Mascaro reviewed the July 2003 Noise Report, detailing the number of complaints received compared to June's report and local and regional comparisons. Mr. Mascaro stated that staff attended the annual realtors expo and provided them with documentation regarding disclosure, noise contours, and various information which is available on the website.

Mr. Mascaro advised the Commission of a tentative allocation letter they received from the FAA regarding the Part 150 Study. He added Mr. Gray would provide additional information in his Director's Report.

Commissioner Guilfooy inquired if any noise abatement letters had been sent out and if the verbiage had been changed. Mr. Mascaro responded they sent out approximately 80 letters and there were some changes. Mr. Gray interjected the letters were not intended to be confrontational and they've already had that discussion and there was some confusion, however, they have addressed those issues and everyone should be satisfied. Mr. Gray noted that letters are sent out once a month and some people think they are sending the same person multiple letters and harassing them, but that certainly isn't their goal. Our goal is if they haven't sent them a letter to inform them of the programs, and hopefully they will volunteer to comply. Mr. Gray added they may wait several months to see if there is an issue with the voluntary curfew, rather than sending one every month.

Commissioner Mack made a point that Stage 2 jets are currently legal and how long is it going to be before someone gets really upset for being told their legal operations are causing concern with the public. Mr. Gray responded they have been working with Stage 2 operators and most of the time they will use another aircraft when using this Airport. Mr. Gray added the Part 150 Study will start next week and that will analyze a lot of the Stage 2 issues, whether a ban, curfew, nighttime closures or whatever they might be. However, in the interim, staff will continue with the Stage 2 process to continue to track the Stage 2 aircraft and then indicate to them that we would appreciate it if they would use different aircraft.

Mr. Mascaro clarified they have not sent out letters to Stage 2 operators, only regarding the voluntary curfew request.

B. Item 10B – Information Stage 2 Aircraft Survey Results

Mr. Mascaro stated they reviewed all the based aircraft and found eight companies with Stage 2 aircraft. They were contacted and asked to complete the survey. Mr. Mascaro noted a summary of the survey results was provided in the Commission packets, and asked if there were any questions.

Commissioner Guilfooy inquired how someone can tell if an aircraft is Stage 2 or Stage 3 on takeoff. Mr. Gray responded that it has to do with FAR Part 36, which designates what stage it is, as you cannot tell the difference by looking.

Commissioner Guilfooy inquired if they have been able to correlate the actual complaints with stage of aircraft. Mr. Gray responded in some instances they could determine which aircraft it is relative to a complaint. However, in the majority of instances they cannot do so because they do not have flight tracking radar coverage, they may not be IFR, and for a number of other reasons.

Mr. Gray noted there are 80 based jets, 10 percent being Stage 2 aircraft. However, the number of Stage 2 transient operations may be more and they are gathering additional data. He added there are approximately 500 take-offs and landings a day and preliminary estimates are that 2 percent of those operations are Stage 2. Mr. Gray stated our consultant would be able to provide a more accurate picture of Stage 2 activity as we prepare the data for the Part 150 Study.

Commissioner Vickers said he wished to state for the record that everyone on the Commission clearly understands that the City of Naples has prevailed in court in the right to ban Stage 2 aircraft. The FAA has not accepted that and the appeals in that case have been exhausted. The FAA's position now is that they have breached their grant contract and it has not challenged the city's right to ban Stage 2 aircraft. Commissioner Vickers stated they should be perfectly clear that the City of Naples has prevailed in court on a municipality's right to ban Stage 2 aircraft.

OPERATIONS UPDATE

A. Item 11 – Information Review of Airport Operations for July 2003.

Mr. Chris Read advised the Commission that operations were down for the month of July, which is typical for the time of year. More normal alert and incident patterns returned.

MEETING SCHEDULE

A. Item 12 – Action Review Modify Meeting Schedule

Mr. Gray advised the Commission that this meeting will serve as a combined August/September meeting. The September 10th meeting is cancelled, and the next scheduled meeting will be October 8, 2003.

There were no further changes to the meeting schedule.

PUBLIC COMMENT

There were no public comments at this time.

DIRECTOR'S REPORT

Mr. Gray advised the Commission the Part 150 Study grant has been approved by City Council. The grants from the FAA and ADOT and the City's match was approved. Staff will be finalizing the contract to get the study started within the next week, and the first public workshop will be in approximately six (6) weeks. Mr. Gray stated the study would be done differently than the one done 5 years ago. There will not be a Planning Advisory Committee, technical assistance will be provided to the consultant, citizen participation will be open to all, and all the information including working papers will be on the website. Public comments will be sent directly to the consultant for their response. Mr. Gray added there would also be four (4) public information workshops and one (1) formal public hearing during the entire 14-month process. Those meetings will be posted and open to the public.

Mr. Gray advised the Commission the Flight Tracking System RFP, which is actually called "Aircraft Operating Monitoring System", has gone out and is due back on September 23rd. The RFP contains information as to what type of data we want and whoever has those kinds of systems will submit a packet detailing their system and how much it would cost. Based on that information, staff will bring it back to the Council Subcommittee to determine if their desire is to continue the process. If so, we would have to look for budget to do that. However, they do not have to select or implement a system if they choose not to due to costs or other reasons.

Mr. Gray advised the Commission they may have heard of an entity on the field that may have had their fueling privileges revoked for violations of the rules. That case is going into an appeal process that will require the convening of the Airport Appeals Board and that will be take place within the next two weeks.

Mr. Gray noted another ongoing item is the Blast Fence associated with Bravo 16. There were issues with direct jet blasts and flying debris. Mr. Gray added they attempted to alleviate the situation and have come to the conclusion to construct a masonry wall to help divert direct jet blasts. Mr. Gray noted there is litigation pending with this issue and this is part of that process.

Mr. Gray stated the airport was closed at night for a week for overlay and re-striping of the Alpha Taxiway and connectors. The Commission inquired if there were any noise complaints when the runway was closed. Mr. Gray said they would have to research that, however, even when the runway is closed they do get over flights and activity overhead, even though the aircraft did not land or takeoff from Scottsdale.

Mr. Gray advised there is another RFP out on the street, which closes tomorrow, and it is for the Scottsdale Airport Engineering Services Contract. A review panel will convene to go over the submittals and make a selection. Staff will then bring it to Council for review and approval.

Mr. Gray noted the Naples Airport final agency decision was issued on August 25; however, he is uncertain if the next step being reviewed by Naples is an appeal through the legal system, rather than the FAA system. He will keep the Commission informed. Mr. Gray added that he and Mr. Mascaro visited Naples Airport last year and although Naples has two runways and commercial commuter service activity, their operational level of Stage 2 aircraft strikingly resembles Scottsdale's. Naples uses the 60 dbL noise contour, instead of 65, and they have mobile homes 250 feet off the side of the runway and more residential areas closer to the airport.

Commissioner Vickers stated Mr. Gray had represented at one time that they were going to be getting a blast fence from Phoenix at no charge. Now he understands they are going to be incurring a substantial amount of money and he'd like Mr. Gray to address this issue. Mr. Gray responded they were working towards a free blast fence that turned into being not a free blast fence when all was said and done. The biggest problem was it was constructed of concrete and size became an issue for that area. As far as the cost for the new one, the cost is only 5 percent (\$7,000), the rest of the money was grant funded.

Commissioner Vickers stated he reviewed the RFP for the monitoring system and noticed there is no provision for an alternative dispute resolution procedure. He added that this bothers him quite a bit considering the subjective nature of what a monitoring system does, and his is a prime case of interpretation of when a system is actually working and which could give rise to serious disputes amongst the parties. He believes those disputes should be resolved via arbitration rather than in a classroom with a provision for attorney's fees, which he does not believe in.

Mr. Paul Norman stated as far as the attorney's fees provision and lack of alternative dispute resolution provision in this particular RFP, he believes that Mr. Gray articulated an email which included a memo from Mr. Norman discussing this issue and the fact that the City Attorney's office discussed it internally. Mr. Norman stated in the City Attorney's opinion it is not in the City's best interest to include an alternative dispute resolution provision, namely, as Commissioner Vickers suggested, a binding arbitration provision in each and every one of the City's contracts. Mr. Norman added there might be any number of instances when it is very advantageous for the City to have in its contracts no such provision and an attorney's fees provision because it gives the City a considerable amount of leverage in disputes. He added that unless the City Attorney's office receives direction from the City Council, he does not think that it is going to change.

Commissioner Vickers inquired how much the City has recovered in attorney fees in litigation with the last two cases. Mr. Norman responded he did not have the answer. Commissioner Vickers inquired if Mr. Norman knew of any attorney fees that the City has recovered. Mr. Norman responded he knew of one particular matter that he thinks was going to Council for possible settlement which would have included recovering all the court judgments and was for several hundred thousand dollars in attorney fees, and that was in respect to Railroad Park construction litigation.

Mr. Norman said the City Attorney's office would consider alternative dispute resolution on a case-by-case basis for each contract but it wouldn't be a blanket for all. Commissioner Vickers asked if this would be prior to a dispute, and Mr. Norman responded no.

ITEMS FROM THE COMMISSION

Commissioner Guilfooy questioned the increase in business permits for catering. Mr. Mascaro responded it might be due to more awareness that they can come and conduct this activity and it doesn't cost them anything unless they are actually serving aircraft here.

Commissioner Guilfooy inquired about the housing development on final approach (DC Ranch) and if there were any timetable changes. Mr. Gray responded the item went to Council and the plat was approved by a vote of 5-2.

Commissioner Guilfooy inquired if they were not going to be involved until there are citizens actually living there and they start coming to the Commission complaining about the noise. Mr. Gray responded at this time that would probably be true. Chairman Maxwell said this is a concern of his because the fact is they are going to hear complaints.

Mr. Gray inquired if it was the desire of the Commission, they could ask the Planning Department what is next with that whole process and maybe get a timeline of what things they still have to go through and provide it to the Commission.

Commissioner Mack stated no matter how many documents you sign it is still going to be right off the end of the runway and the third person who buys that house and doesn't know about it is going to start asking how come so many planes are flying over his house. We know this is wrong to begin with but we go ahead and let them build it anyway. He added if the City capitulates over commercial developments, they should be able to do so for residential plans as well.

Commissioner Guilfooy added the good side would be they wouldn't need a flight tracking system because the people will just be able to take the N numbers from the aircraft coming in over their house.

Mr. Norman interjected that the Seller's Property Disclosure statement that each seller is required to fill out does contain a specific line item for proximity to an airport. Therefore, if the seller is doing what they are supposed to be doing, they will check that off. And, if the buyer is doing what he is supposed to be doing they will read it. There are safeguards if the system is working as intended.

Commissioner Mack inquired if the Scottsdale Airpark has considered doing anything for the 100th Anniversary of Aviation that is coming up this December. Mr. Gray responded there are some things in the works, nothing the City is specifically doing, but a tenant has expressed interest in doing something with Toys for Tots and a fly-in type of event, not a big production like Air Fair. Mr. Gray stated they would also try to do something for Veterans Day this year.

Commissioner Mack inquired about the status of the Pima Air Museum and if they have an update as to whether it was moving forward or not. Mr. Gray responded that, rather than speculating, he would invite the appropriate parties to address the next Commission meeting and provide an update.

ADJOURNMENT

Commissioner Mack made a motion to adjourn the meeting. Commissioner Guilfooy seconded the motion, and Chairman Maxwell adjourned the meeting at 7:20 p.m.

Respectfully submitted,

Diana M. Maggiola
Administrative Secretary